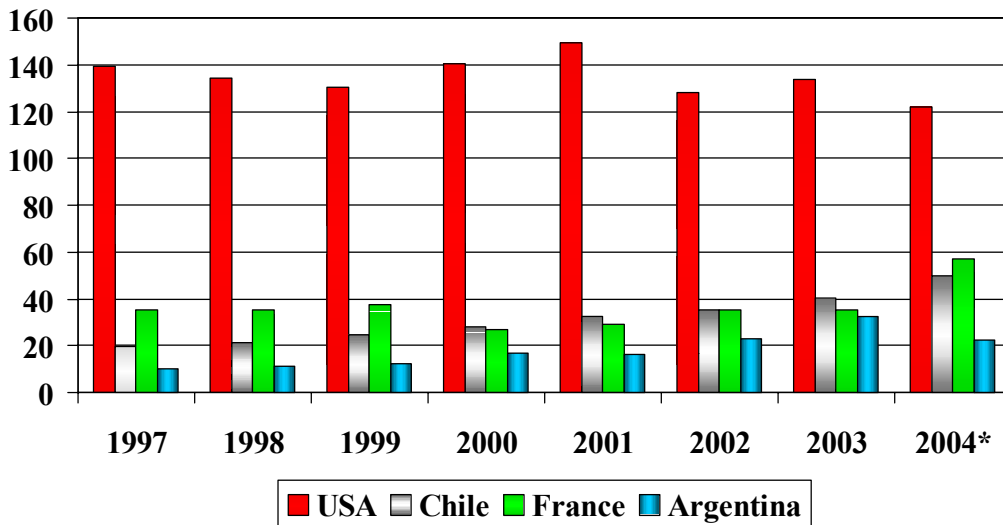


## Dried Fruit (Dried Plum-Prune) Situation in Selected Countries

Dried plum production for marketing year (MY) 2004/05, for the predominant northern hemisphere producing countries, is forecast at 90,545 metric tons, down by 57 percent from the previous year, due to the devastated U.S. crop. Production in Chile, the predominant southern hemisphere producer, is forecast at 38,000 tons for 2004/05, a 3-percent increase over the previous year.

### Top Dried Plum Exporters

\$ Millions



Calendar Years

Source: Global Trade Atlas (\*Note: 2004 covers January to November only.)

### Global Production and Trade

The United States, France, and Chile are the world's key dried plum producers. For 2004/05, these countries are expected to produce 128,545 tons of dried plums. This represents a fall of 48 percent in production from the 2003/04 level, mostly attributable to the failed U.S. crop.

These countries are also the world's largest exporters of dried plums. Chile typically exports over 90 percent of its production, while the United States and France usually export around 40 percent. U.S. exports will likely drop in the coming year, since much of the short U.S. crop will be used to meet domestic demand.

## **United States**

The 2004/05 dried plum crop production is estimated at 43,545 tons, a 71-percent decrease from the 2003/04 crop. The huge decline in production is due to significant crop damage from a mid-March 2004 hot spell. Excessive heat occurred when trees were in full bloom, which caused blossoms to mature too quickly for the pollination process to complete. The 2004/05 crop was the smallest since official estimates began in 1920 and yield was the lowest since 1972.

Total exports for 2003/04 increased by 17 percent over the 2002/03 level, to reach 75,380 tons. Increased sales in 2003/04 were seen in the top markets: Japan, Canada, and the EU. The EU places a 9.6-percent import tariff on U.S. dried plums entering that market. In contrast, Chilean product receives duty-free entry under the EU-Chile Free Trade Agreement (FTA). U.S. exports to the EU, overall, were down by 9 percent from August 2004-November 2004 since the same period a year earlier.

The California dried plum industry is represented by the California Dried Plum Board (CDPB). The industry is very export oriented, shipping more than 40 percent of its production to more than 50 markets. The largest market for U.S. dried plums is Japan. From August to November 2004, exports to Japan totaled 12,067 tons, an increase of more than 18 percent since the same period a year earlier. The CDBP is very active in market promotion activities, participating in numerous international food shows each year. The CDBP is also a Market Access Program (MAP) participant with the Foreign Agricultural Service, receiving an approved budget of \$2.6 million for the 2004 MAP year.

## **France**

Production for the 2004/05 crop is forecast to fall by 19 percent from the previous year, totaling 47,000 tons, due to expectations of less favorable weather. Despite the lower production, French growers hope to increase exports due to the disastrous U.S. crop in 2004. France is a net exporter and a major competitor with the United States in the European market, supplying more than half of the EU market. Only the United States produces more dried plums; and supplies about a third of the European market. France's dried plum exports in CY 2003 totaled 13,772 tons, a decrease of 16 percent from the previous year. However, January to October 2004 exports are almost double that of the same period in 2003, largely due to the short supply from the United States. Algeria is the top market for France's exports, typically consuming around 20 to 25 percent of exports. France's main markets in the EU are the United Kingdom and Germany, which are also major markets for U.S. product.

Due to the January 2003 enactment of the EU-Chile free trade agreement (FTA), French prune growers are concerned that Chilean exports to the EU will increase significantly in the coming years. Although EU imports from Chile are considerably higher than the period before implementation of the FTA, January to August 2004 imports are more than 20 percent lower than the same period in 2003. In MY 2003/04, product from Chile and Argentina represented about 30 percent of France's overall imports. South American product has replaced the low-priced, low-quality prunes traditionally imported from Yugoslavia. However, the industry views the French product as superior to imported products. In the EU, prunes produced under certain standards in France reap the benefit of a Protected Geographical Indicator (PGI), with the European logo "Pruneaux d' Agen" brand name. This name can only be used for marketing French prunes meeting those standards, and is generally regarded as indicating premium quality.

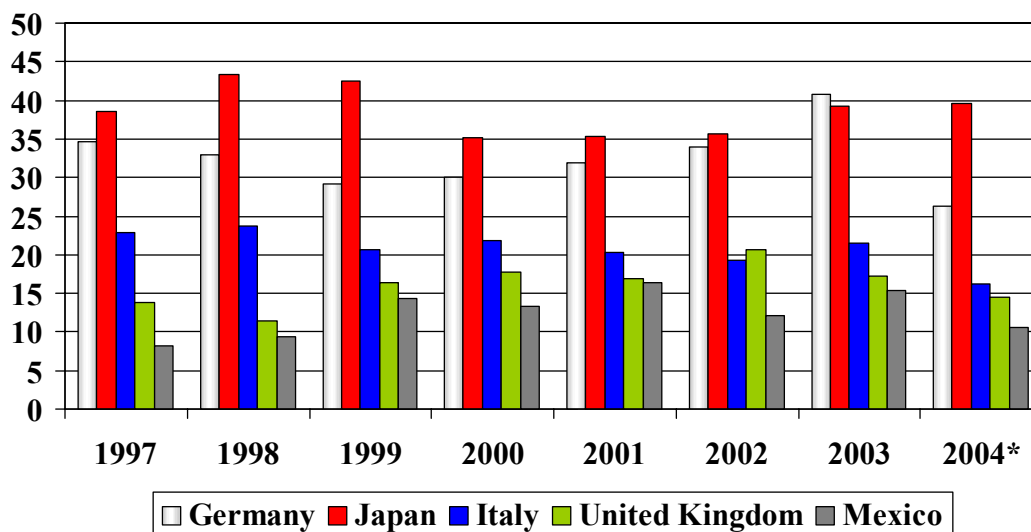
## **Chile**

The 2004/05 crop production forecast is set at 38,000 tons, a 3-percent increase from the revised estimate for the previous year. Production has been higher than anticipated over the past few years due to increases in planted area by producers who have been enticed by good producer prices during the last few years. Overall production is expected to increase and level off at around 45,000 tons per year as planted area keeps expanding and coming into production over the next 2 to 3 years. Around 90 percent of all plum trees in Chile are located in the Santiago Metropolitan Region. The domestic prune market in Chile is very small and usually only consumes 10 percent of domestic production. Domestic consumers usually take lower-quality fruit that is used for processed foods, such as juice, yogurt, or bakery products.

Chile's dried plum exports from January to October 2004 totaled 28,576 tons, up almost 10 percent from the same period the year before. Exports for the 2004/05 marketing year are forecast to reach 36,500 tons, up from 31,318 tons in marketing year 2002/03. Newer planted/harvested areas are now starting to bear fruit and will likely lead to increased export volumes in the next few years. Although Mexico is the single largest importing country, the EU has become Chile's largest regional market since enactment of the FTA.

# Top Dried Plum Importers

\$ Millions



Calendar Years

Source: Global Trade Atlas (\* Note 2004 data covers: Jan-Sep for Germany & Italy; Jan-Oct for U.K. & Mexico; Jan-Nov for Japan)

*(The FAS Attaché Report search engine contains reports on leading dried fruit producing countries, including Australia, Chile, Greece, Mexico, South Africa, and Turkey. For information on production and trade, contact Dwight Wilder at 202-690-2702. For information on marketing contact Krista Dickson at 202-690-1341)*